



Testimony before the House Commerce Committee
Rick Baker, President & CEO, Grand Rapids Area Chamber of Commerce
Jane Clark, President, Michigan West Coast Chamber of Commerce
May 5, 2015
Support for House Bill 4226

Rick Baker

Good morning Chairman Graves and members of the committee. Thank you for the opportunity to speak to this important legislation.

I am Rick Baker, President and CEO of Grand Rapids Area Chamber of Commerce. The Grand Rapids Chamber represents over 2,300 member companies and while we count the largest employers among our members, 80 percent are small businesses with 50 or fewer employees. I am here today with my colleague Jane Clark, President of the Michigan West Coast Chamber of Commerce to speak in support of House Bill 4226.

In West Michigan, we have a strong collaborative spirit where public, private and nonprofit cooperation are hallmarks of our community. We know that we are stronger when we work together. West Michigan is home to over 1.5 million residents, representing 15.5 percent of the state's population. Manufacturing and health care are two of our top industries for employment and growth – both of which have benefited from the Grand Rapids SmartZone.

For over a decade, the Grand Rapids SmartZone has helped support and spur entrepreneurship and growth in West Michigan's high-tech business sector. Grand Rapids and West Michigan have benefited from the district's work thanks to the collaborative efforts of the Van Andel Research Institute, Grand Valley State University, Spectrum Health, GR Current, and others.

Since its inception in 2001, there has been \$60 million of increased assessed value within the Grand Rapids SmartZone. Michigan Street is an area within the district that was previously underdeveloped and is now vibrant with activity, commerce and research. Now this area, also known as Medical Mile, continues to attract the best and brightest to our region for healthcare, research and technology.

Since 2008, Michigan Street has seen \$1 million investment from the SmartZone, which has garnered \$120 million in private investment that has spurred 2,350 new jobs in healthcare and life sciences.

A prime example of success in our SmartZone is the Grand River Aseptic Manufacturing (GRAM), which started in 2011 as a joint venture between the Van Andel Research Institute and Grand Valley State University. GRAM is a manufacturer that supports new product development. It has a state-of-the-art

cleanroom and 80 highly trained staff to provide clinical trial and commercial material in vials or syringes for the life sciences industry.

Clearly, we have witnessed the benefits of this program in Grand Rapids. The legislation before you would extend this success in Grand Rapids and include our partners in Ottawa County. Our two chambers and our two business communities have a long and deep history of collaboration and this legislation will help to support our shared goal of making West Michigan a top of mind region.

I would now like to turn it over to my colleague Jane Clark.

Jane Clark

Thank you Rick, chairman and members of the committee. I am Jane Clark, President of the Michigan West Coast Chamber of Commerce. The West Coast Chamber serves over 1,400 businesses and 65,000 employees in the greater Holland/Zeeland Area. We work to create a climate of growth and economic vitality in which all companies can prosper.

As Rick mentioned, our two business communities share a strong bond. In fact, over a quarter of our residents commute for work between Ottawa and Kent County.

Over the last few months, West Michigan leaders have been working together to create a satellite SmartZone centered around Michigan State University's Bioeconomy Institute in Holland Township.

The creation of a satellite SmartZone on the lakeshore will strengthen our region and enhance our ability to attract and grow entrepreneurs. Revenue would be reinvested to support technology-based initiatives and spark the development of new high-tech businesses, sectors critical to our region's future economic success.

In addition, the SmartZone will allow us to address some critical properties in our community. Investments will be made in key historical downtown sites as well as Lake Macatawa water quality.

Michigan's Local Development Financing Act encourages regional cooperation and collaboration for the creation of satellite SmartZones. Unfortunately, the current statute caps the state's satellite SmartZones at three locations.

Passage of House Bill 4226 would further cooperation and entrepreneurial growth in Holland and across Michigan by allowing for a total of six satellite zones.

There is strong private and public sector support for establishing the Holland SmartZone and we look forward to taking advantage of this important tool. I am confident that the Holland community will turn a satellite SmartZone into a tremendous success if you give us the chance.

We ask that you support development, attraction and growth of technology-based businesses in Michigan and vote YES on House Bill 4226.